

DATE: January 28, 2019

TO: Todd Wyett, Chairman
State Transportation Commission

FROM: Paul C. Ajegba
Director

SUBJECT: Waiver of Commission Approval

The projects and descriptions documented in Exhibit A-1 attached, will be let by the Michigan Department of Transportation on February 1, 2019. These projects require pre-approval as the engineers' estimates are over \$500,000. The approximate 12-week delay resulting if Commission pre-approval were deferred to the next State Transportation Commission meeting on April 18, 2019, would delay the transmittal of the contract documents to the low bidders, and jeopardize the construction schedules.

The projects and descriptions documented in Exhibit A-2, attached, were let by the Michigan Department of Transportation on January 4, 2019. The low bids received were more than 10% over the engineers' estimate and therefore require approval by the State Transportation Commission. The approximate 12-week delay resulting if Commission approval were deferred to the next State Transportation Commission meeting on April 18, 2019, would delay the transmittal of the contract documents to the low bidders, and jeopardize the construction schedules.

Thus, a waiver of the required Commission approval is requested, as provided in Commission Resolution 79-3, as amended, footnote F:

"If, in the opinion of the Director, the public interest requires that a certain contract be awarded or an agreement be executed prior to approval by the Commission, hereunder, the Director shall seek a waiver of the required approval from the Chairman of the Transportation Commission. If the request of the approval is verbal, the waiver shall be confirmed, in writing, within fourteen (14) days."

If the waiver is granted, the Department will proceed to execute the items noted above.

Signed copy on file

Director

The request for waiver of Commission approval of the above-mentioned items are approved.

Signed copy on file

Todd Wyett, Chairman

January 28, 2019

Date

REQUEST FOR MICHIGAN STATE TRANSPORTATION

COMMISSION APPROVAL

BID LETTING PRE-APPROVAL

January 28, 2019

The following contracts are being submitted for approval.

STATE PROJECTS

- | | | |
|----|---|--|
| 1. | Letting of February 1, 2019
Letting Call: 1902 052
Project: GF19 58021-203285
Local Agreement:
Start Date: April 15, 2019
Completion Date: June 27, 2019 | Prequalification Level:
\$3,652,000.00 |
|----|---|--|

5.12 mi of full depth concrete pavement repairs, hot mix asphalt overlay, joint repairs, shoulder trenching and pavement markings on US-223 from High Street to Jefferson Street and from the Lenawee/Monroe county line to west of US-23 in the village of Blissfield, Lenawee and Monroe Counties. This project includes a 3-year material and workmanship pavement warranty.

0.00 % DBE participation required

- | | | |
|----|--|--|
| 2. | Letting of February 1, 2019
Letting Call: 1902 053
Project: GF19 82052-204006
Local Agreement:
Start Date: August 1, 2019
Completion Date: October 10, 2019 | Prequalification Level:
\$2,556,000.00 |
|----|--|--|

2.65 mi of hot mix asphalt cold milling and resurfacing, joint crack repair, and pavement markings on US-24 from Carter Road to Pennsylvania Road in the city of Taylor, Wayne County. This project includes a 3-year materials and workmanship pavement warranty.

0.00 % DBE participation required

- | | | |
|----|---|--|
| 3. | Letting of February 1, 2019
Letting Call: 1902 054
Project: NH 41131-200591
Local Agreement:
Start Date: August 9, 2019
Completion Date: September 6, 2019 | Prequalification Level:
\$2,422,000.00 |
|----|---|--|

2.36 mi of hot mix asphalt cold milling and hot mix asphalt overlay, concrete curb and gutter, miscellaneous pavement repairs, drainage and pavement markings on US-131 from south of 44th Street to north of M-11 (28th Street) including the ramps at 54th Street, 44th Street, 36th Street and M-11 in the city of Wyoming, Kent County. This project includes a 3-year materials and workmanship pavement warranty.

3.00 % DBE participation required

4. Letting of February 1, 2019
Letting Call: 1902 055
Project: M 45021-200981
Local Agreement:
Start Date: June 17, 2019
Completion Date: August 24, 2019

Prequalification Level:
\$2,263,000.00

11.33 mi of hot mix asphalt cold milling and resurfacing, concrete curb and gutter, shoulder repairs, guardrail and pavement markings and 22.38 mi of delineator installation on M-72 from the M-22 intersection in the village of Empire easterly to the M-22 intersection in the city of Traverse City, Grand Traverse and Leelanau Counties. This project includes a 3-year materials and workmanship pavement warranty.

0.00 % DBE participation required

5. Letting of February 1, 2019
Letting Call: 1902 056
Project: M 46082-200985
Local Agreement:
Start Date: April 15, 2019
Completion Date: July 13, 2019

Prequalification Level:
\$757,000.00

2.53 mi of hot mix asphalt cold milling and single course overlay, detail 7 joint repairs, concrete curb, gutter, sidewalk and ramps, shoulder gravel and pavement markings on M-50 from M-52 to east of Sunset Drive in the city of Tecumseh, Lenawee County. This project includes a 3-year materials and workmanship pavement warranty.

0.00 % DBE participation required

6. Letting of February 1, 2019
Letting Call: 1902 061
Project: NH 67017-201131
Local Agreement:
Start Date: July 29, 2019
Completion Date: September 12, 2019

Prequalification Level:
\$2,732,000.00

9.17 mi of hot mix asphalt cold milling and resurfacing on US-131 from north of US-10 northerly to north of 14 Mile Road, Osceola County. This project includes a 3-year materials and workmanship pavement warranty.

2.00 % DBE participation required

7. Letting of February 1, 2019
Letting Call: 1902 062
Project: IM 80023-200635
Local Agreement:
Start Date: April 15, 2019
Completion Date: May 23, 2019

Prequalification Level:
\$2,596,000.00

5.11 mi of concrete diamond grinding, longitudinal grooving, pavement stabilization, joint resealing, under drain cleanout and recessed pavement on I-94 westbound from M-140 to 62nd Street, Berrien and Van Buren Counties.

3.00 % DBE participation required

8. Letting of February 1, 2019
Letting Call: 1902 063
Project: M 13033-202017
Local Agreement:
Start Date: September 30, 2019
Completion Date: December 15, 2019
- Prequalification Level:
\$1,939,000.00
- 7.90 mi of hot mix asphalt cold milling and resurfacing, concrete pavement repairs and pavement markings on I-194 from I-94 to south of Hamblin Avenue in the city of Battle Creek, Calhoun County. This project includes a 3-year materials and workmanship pavement warranty.
- 0.00 % DBE participation required
9. Letting of February 1, 2019
Letting Call: 1902 064
Project: NH 74012-201408
Local Agreement:
Start Date: August 5, 2019
Completion Date: October 5, 2019
- Prequalification Level:
\$1,879,000.00
- 13.03 mi of hot mix asphalt cold milling and ultra-thin overlay with joint repairs on M-25 from Canboro Road to Stein Road and on M-53 from M-46 to Severance Road, Huron and Sanilac Counties. This project includes a 2-year pavement performance warranty and a 3-year materials and workmanship pavement warranty.
- 0.00 % DBE participation required
10. Letting of February 1, 2019
Letting Call: 1902 065
Project: ST 62032-201125
Local Agreement:
Start Date: May 13, 2019
Completion Date: 25 Working Days
- Prequalification Level:
\$1,242,000.00
- 17.07 mi of overband crack filling, chip sealing, single, warranty, and fog sealing on M-37 from north of 3 Mile Road northerly to north of the north Newaygo county line, Newaygo and Lake Counties. This project includes a 2-year pavement performance warranty.
- 0.00 % DBE participation required
11. Letting of February 1, 2019
Letting Call: 1902 066
Project: NH 20014-200945
Local Agreement:
Start Date: April 29, 2019
Completion Date: July 12, 2019
- Prequalification Level:
\$988,000.00
- 4.13 mi of micro-surfacing, crack filling, pavement repairs, joint repairs, shoulder corrugations and pavement markings on I-75 southbound from US-127 to US-127BR, Crawford County. This project includes a 2-year pavement performance warranty.
- 0.00 % DBE participation required

12. Letting of February 1, 2019
Letting Call: 1902 067
Project: ST 26011-132146
Local Agreement:
Start Date: June 3, 2019
Completion Date: June 12, 2020
- Prequalification Level:
\$775,000.00
- 1.38 mi of hot mix asphalt cold milling and resurfacing, concrete curb and gutter, sidewalk, joint repairs, drainage and pavement markings on M-61 from west of M-18 to Bowery Street and on M-18 from Maple Street to First Street in the city of Gladwin, Gladwin County. This project includes a 3-year materials and workmanship pavement warranty.
- 3.00 % DBE participation required
13. Letting of February 1, 2019
Letting Call: 1902 068
Project: ST 16032-204268
Local Agreement:
Start Date: July 8, 2019
Completion Date: September 27, 2019
- Prequalification Level:
\$540,000.00
- 3.70 mi of micro-surfacing, hot mix asphalt patching and crack seal, concrete curb, gutter, sidewalk and ramps, and pavement markings on M-27 from south of M-33 to US-23 in the city of Cheboygan, Cheboygan County. This project includes a 2-year pavement performance warranty.
- 0.00 % DBE participation required
14. Letting of February 1, 2019
Letting Call: 1902 069
Project: NH 35032-201112
Local Agreement:
Start Date: July 8, 2019
Completion Date: August 16, 2019
- Prequalification Level:
\$526,000.00
- 4.05 mi of micro-surfacing, overband crack filling and pavement markings on US-23 from north of Andrew Drive to the north Iosco county line and from south of Ruel Road to the Tawas River, Iosco County. This project includes a 2-year pavement and performance warranty.
- 0.00 % DBE participation required
15. Letting of February 13, 2019
Letting Call: 1902 302
Project: NH 50031-201379
Local Agreement:
Start Date: July 29, 2019
Completion Date: September 29, 2019
- Prequalification Level:
\$3,075,000.00
- 2.30 mi of hot mix asphalt fine textured milling, crack repair, joint repair and resurfacing, concrete curb, gutter, sidewalk and ramps, signals and pavement markings on M-97 from 14 Mile Road north to 16 Mile Road in the city of Fraser, Macomb County. This project includes a 3-year materials and workmanship pavement warranty.
- 4.00 % DBE participation required

16. Letting of February 13, 2019 Prequalification Level:
Letting Call: 1902 303 **\$1,709,000.00**
Project: M 19031-201032
Local Agreement:
Start Date: May 6, 2019
Completion Date: July 19, 2019
- 3.72 mi of hot mix asphalt cold milling and resurfacing on Old US-27 and US-127BR from Pratt Road to Taft Road, Clinton County. This project includes a 3-year materials and workmanship pavement warranty.
- 0.00 % DBE participation required
17. Letting of February 13, 2019 Prequalification Level:
Letting Call: 1902 304 **\$1,100,000.00**
Project: M 14032-131577
Local Agreement:
Start Date: March 18, 2019
Completion Date: May 10, 2019
- 3.57 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, and pavement markings on M-62 from the west city limits to the east city limits of Dowagiac and on M-51 from Pokagon Street to the north city limits of Dowagiac in the city of Dowagiac, Cass County. This project includes a 3-year materials and workmanship pavement warranty.
- 3.00 % DBE participation required
18. Letting of February 13, 2019 Prequalification Level:
Letting Call: 1902 306 **\$3,165,000.00**
Project: GF19 35032-200991
Local Agreement:
Start Date: September 3, 2019
Completion Date: November 8, 2019
- 10.56 mi of hot mix asphalt cold milling and single course resurfacing on US-23 from north of F41 to north of Andrew Drive and from the south Alcona county line north to the Lake State Railroad Crossing and on M65 from west of Channel Road to north of Pine Acres Road, Iosco and Alcona Counties. This project includes a 3-year materials and workmanship pavement warranty.
- 0.00 % DBE participation required
19. Letting of February 13, 2019 Prequalification Level:
Letting Call: 1902 307 **\$1,728,000.00**
Project: M 28021-200976
Local Agreement:
Start Date: May 13, 2019
Completion Date: August 2, 2019
- 5.61 mi of hot mix asphalt overlay with shoulders trenched and reconstructed on M-113 from M-37 to west of Clark Street, Grand Traverse County. This project includes a 3-year materials and workmanship pavement warranty.
- 3.00 % DBE participation required

20. Letting of February 13, 2019
Letting Call: 1902 308
Project: M 23051-132267
Local Agreement:
Start Date: July 8, 2019
Completion Date: August 30, 2019

Prequalification Level:
\$766,000.00

3.77 mi of partial depth hot mix asphalt cold milling and resurfacing on M-50 from Long Highway to west of Hallawood Lane in the city of Eaton Rapids, Eaton County. This project includes a 3-year materials and workmanship pavement warranty.

0.00 % DBE participation required

LOCAL PROJECTS

21. Letting of February 1, 2019
Letting Call: 1902 041
Project: STU 63000-203432
Local Agreement: 18-5555
Start Date: 10 days after award
Completion Date: September 20, 2019

Prequalification Level:
\$1,288,000.00

0.75 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, earthwork, drainage, signals and pavement markings on West 9 Mile Road from the west city limits of Farmington Hills to Middlebelt Road in the city of Farmington Hills, Oakland County. This is a Local Agency project.

5.00 % DBE participation required

22. Letting of February 1, 2019
Letting Call: 1902 042
Project: STU 25000-130642
Local Agreement: 18-5560
Start Date: April 10, 2019
Completion Date: September 13, 2019

Prequalification Level:
\$1,124,000.00

0.54 mi of hot mix asphalt cold milling and resurfacing, pavement, joint and crack repairs, concrete curb and gutter, sidewalk ramp, driveway, drainage, sewer and pavement markings on Saginaw Street from Bristol Road to Hemphill Road in the city of Burton, Genesee County. This is a Local Agency project.

4.00 % DBE participation required

23. Letting of February 1, 2019
Letting Call: 1902 043
Project: HRRR 73000-200277
Local Agreement: 18-5540
Start Date: June 17, 2019
Completion Date: August 30, 2019

Prequalification Level:
\$740,000.00

0.51 mi of hot mix asphalt crushing, shaping and resurfacing, rumble strips, signing and pavement markings on Swan Creek Road at South River Road, Saginaw County. This is a Local Agency project.

4.00 % DBE participation required

24. Letting of February 1, 2019
Letting Call: 1902 048
Project: STU 39000-130809
Local Agreement: 18-5548
Start Date: 10 days after award
Completion Date: September 28, 2019
- Prequalification Level:
\$2,367,000.00
- 1.26 mi of hot mix asphalt cold milling and resurfacing, concrete concrete curb, gutter, sidewalk and ramps, signal and signing on Milham Avenue from Oakland Drive to South Westnedge Avenue in the city of Portage, Kalamazoo County. This is a Local Agency project.
- 3.00 % DBE participation required
25. Letting of February 1, 2019
Letting Call: 1902 049
Project: STL 18000-130246
Local Agreement: 18-5552
Start Date: 10 days after award
Completion Date: October 11, 2019
- Prequalification Level:
\$773,000.00
- 8.09 mi of single course hot mix asphalt overlay, aggregate shoulders and pavement markings on Bailey Lake Road from Beaverton Road north to Mannsiding Road and on Rodgers Avenue from south of Townline Road to north of Stockwell Road, Clare County. This is a Local Agency project.
- 0.00 % DBE participation required
26. Letting of February 1, 2019
Letting Call: 1902 050
Project: STL 79555-130161
Local Agreement: 18-5539
Start Date: 10 days after award
Completion Date: September 27, 2019
- Prequalification Level:
\$707,000.00
- 0.17 mi of hot mix asphalt road reconstruction, intersection and drainage improvements, concrete curb and gutter, sidewalk, sidewalk ramps, drainage, sewer, signing and pavement markings on Main Street from Lincoln Street east to Trend Street in the village of Mayville, Tuscola County. This is a Local Agency project.
- 3.00 % DBE participation required
27. Letting of February 1, 2019
Letting Call: 1902 051
Project: STUL 72000-202235
Local Agreement: 18-5561
Start Date: September 5, 2019
Completion Date: October 31, 2019
- Prequalification Level:
\$515,000.00
- 2.77 mi of hot mix asphalt micro surfacing ultra-thin medium volume, aggregate shoulders, embankment and pavement markings on County Road 100 (East Houghton Lake Drive) from County Road 102 to County Road 300, Roscommon County. This is a Local Agency project.
- 0.00 % DBE participation required

28. Letting of February 1, 2019
Letting Call: 1902 057
Project: TA 63000-202782
Local Agreement: 18-5550
Start Date: 10 days after award
Completion Date: 365 Calendar Days
- Prequalification Level:
\$4,356,000.00
- 5.30 mi of hot mix asphalt shared use path includes signing, culvert improvements and pavement markings on Michigan Airline Trail Pathway from Haggerty Road to Wixom Road in the city of Wixom, Oakland County. This is a Local Agency project.
- 5.00 % DBE participation required
29. Letting of February 1, 2019
Letting Call: 1902 058
Project: HRRR 57000-203487
Local Agreement: 18-5541
Start Date: June 10, 2019
Completion Date: August 23, 2019
- Prequalification Level:
\$660,000.00
- 2.57 mi of hot mix asphalt crushing, shaping and resurfacing, trenching for paved shoulders and pavement markings on Jennings Road from La Chance Road to east of Pavilion Drive, Missaukee County. This is a Local Agency project.
- 2.00 % DBE participation required
30. Letting of February 13, 2019
Letting Call: 1902 301
Project: IM 41000-133277 , ETC
Local Agreement: 18-5432, 18-5443
Start Date: 10 days after award
Completion Date: September 23, 2020
- Prequalification Level:
\$1,176,000.00
- 0.20 mi of hot mix asphalt and concrete pavement reconstruction, concrete curb, gutter, sidewalk and ramps, storm sewer, guardrail and pavement markings on Ionia Avenue from Michigan Avenue to the westbound I-196 off ramp for Ottawa Avenue and on the I-196 ramps at Ionia Avenue and Division Avenue in the city of Grand Rapids, Kent County. This is a Local Agency project.
- 5.00 % DBE participation required

31. Letting of February 13, 2019
Letting Call: 1902 305
Project: TAU 47093-128441
Local Agreement: 19-5009
Start Date: 10 days after award
Completion Date: September 30, 2019

Prequalification Level:
\$948,000.00

2.69 mi of hot mix asphalt shared use path along Lemen Road from 8 Mile Road to 9 Mile Road and on M36 from 9 Mile Road to the Lakelands Trail, Livingston County. This is a Local Agency project.

5.00 % DBE participation required

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of September 25, 2018.

Respectfully submitted,

Paul C. Ajegba
Director

OFFICE MEMORANDUM

DATE: January 25, 2019

TO: State Transportation Commission

FROM: Jack Cotter, CPA, CGMA
Commission Auditor
Office of Commission Audits

SUBJECT: Justification Memorandums

Attached for your information are the department's justification memorandums for Exhibit A-2 items where the low bid exceeded the engineer's estimate by more than ten percent.

Signed Original on File

Jack Cotter, CPA, CGMA
Commission Auditor

Attachments

cc: T. Hagon

DATE: January 17, 2019

TO: Myron G. Frierson, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: January 4, 2019

Project Description: 10.14 mi of hot mix asphalt cold milling and resurfacing, concrete patching, detail 7 repairs, signage, pavement markings and rehabilitation of 2 structures consisting of deep overlay, barrier replacement, beam and deck replacement (one span) and substructure repairs on M-5 from 13 Mile Road south to 8 Mile Road in the cities of Novi, Farmington and Farmington Hills, Oakland County.

Project Number: 63022-119805

Item Number: 1901 002

Low Bidder: Cadillac Asphalt, L.L.C.

Eng. Est: \$10,373,853.26 Low Bid: \$11,837,630.55 Difference: \$1,463,777.29 Percent: 14.11

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$10,373,853.26
Cadillac Asphalt, L.L.C.	\$11,837,630.55
Ajax Paving Industries, Inc.	\$12,083,888.88

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were cold milling hot mix asphalt surface, hot mix asphalt paving items and minor traffic devices. These items were bid higher than normal due to maintaining traffic restrictions. Two-way traffic must be maintained, with single lane closures allowed only during non-peak hours, and at night. This will require traffic control devices to be moved multiple times each day, causing an increase to the minor traffic devices cost and the major items of work. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of maintaining traffic restrictions. This project received two bids of \$11,837,630.55 and \$12,083,888.88, which varied by just 2.08 percent. We believe that rejecting this bid and re-

letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Oakland TSC request that this project be awarded to the low bidder based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director's Office
V. Warner	R. Cousin	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
S. Fedders	D. Potvin	H. Stinson	K. Curtis	K. Farlin
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	P. Sebenick
A. Mahdavi	J. Pitt	C. Forbes		

BOD:DD:QA:RWC;jh

DATE: January 7, 2019

TO: Myron G. Frierson, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: January 4, 2019

Project Description: 1.83 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, drainage and pavement markings on M-58 from Lawndale Road to just east of Avalon Avenue, city of Saginaw, Saginaw County.

Project Number: 73073-132121

Item Number: 1901 009

Low Bidder: Pyramid Paving and Contracting Co.

Eng. Est: \$1,182,857.93 Low Bid: \$1,432,442.50 Difference: \$249,584.57 Percent: 21.10

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$1,182,857.93
Pyramid Paving and Contracting Co.	\$1,432,442.50
Ace-Saginaw Paving Company	\$1,550,896.26

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were adjusting drainage structure cover; cold milling hot mix asphalt surface; hot mix asphalt; and minor traffic devices. These items were bid higher than normal due to the urban environment and maintaining traffic restrictions. This project is located on a six-lane segment that is highly commercialized. The high density of signalized intersections, commercial drives, and multiple lanes within the project limits make it challenging to perform the work and maintain traffic. In order to avoid high daytime volumes and turning movements, all cold milling and hot mix asphalt paving work must be completed at night. These conditions limit productivity, increasing costs. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of the urban environment and maintaining traffic restrictions. This project received two bids of \$1,432,442.50 and \$1,550,896.26, which varied by 8.27 percent. We believe that rejecting this

bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Bay City TSC request that this project be awarded to the low bidder based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director's Office
V. Warner	R. Cousin	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
S. Fedders	D. Potvin	H. Stinson	K. Curtis	K. Farlin
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	P. Sebenick
R. McDonnell	B. Ulman	S. Friend	R. Ranck	

BOD:DD:QA:DLP:jh

DATE: January 17, 2019

TO: Myron G. Frierson, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: January 4, 2019

Project Description: Bridge rehabilitation including replacement of expansion joint, drain replacement, super and substructure repairs and pier overcasting on M-95 over Trout Creek Falls and Michigamme River, Marquette County.

Project Number: 52011-130229

Item Number: 1901 032

Low Bidder: Associated Constructors, LLC

Eng. Est: \$762,127.18 Low Bid: \$877,242.10 Difference: \$115,114.92 Percent: 15.10

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$ 762,127.18
Associated Constructors, LLC	\$ 877,242.10
Zenith Tech, Inc.	\$1,223,244.20
Hebert Construction Co.	\$1,497,793.39
Grand River Construction, Inc.	\$1,499,789.33
C. A. Hull Co., Inc.	\$1,689,404.20

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were structure backfill; foundation excavation; grade D concrete; and vertical shotcrete and overhead structure repair. These items were bid higher than normal due to the remote project location, a new pay item, limited access and workspace at portions of the structure. This project is in a remote location, increasing the cost to obtain and transport materials and equipment from the material suppliers. The excavation and backfill work will take place under the existing bridges, resulting in limited head room at some portions of the structure and may require more manual labor. All work must be performed within the existing limited right-of-way. Additionally, there is limited space to access the excavation and backfill sites and may require smaller equipment. This will extend the duration to complete the work, increasing the cost. Furthermore, the space to the pier base walls is confined creating challenges which will impact the contractor's ability to access the area, increasing the cost of the grade D concrete for those repairs.

Also, the vertical shotcrete and overhead structure repair is a new pay item that is difficult to accurately estimate without bid history. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of the remote project location, limited access to the structures and a new pay item. This project received five bids of \$877,242.10 and \$1,689,404.20, which varied by 92.58 percent. The two lowest bids varied by 39.44 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Ishpeming TSC request that this project be awarded to the low bidder based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director's Office
V. Warner	R. Cousin	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
S. Fedders	D. Potvin	H. Stinson	K. Curtis	K. Farlin
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	P. Sebenick
K. Kopper	A. Anderson	M. Maloney	A. Johnson	

BOD:DD:QA:RWC;jh



OFFICE MEMORANDUM

DATE: January 17, 2019

TO: Myron G. Frierson, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: January 4, 2019

Project Description: 15.69 mi of hot mix asphalt cold milling and resurfacing and Cherry Creek bridge waterproofing, joint repairs and overlay on M-25 from Lynn Boulevard north to French Line Road and from the north village limits of Port Sanilac north to Deckerville Road, Sanilac County.

Project Number: 74073-201338

Item Number: 1901 035

Low Bidder: Ace-Saginaw Paving Company

Eng. Est: \$3,272,000.61 Low Bid: \$3,864,862.38 Difference: \$592,861.77 Percent: 18.12

The following shows the engineer's estimate and the proposed bid received for this project:

Engineer's Estimate	\$3,272,000.61
Ace-Saginaw Paving Company	\$3,864,862.38

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were cold milling hot mix asphalt surface and hot mix asphalt paving items. These items were bid higher than normal due to the project location and an expedited schedule. This project is in a relatively remote location in Sanilac County, without any materials suppliers nearby, increasing the cost of transporting the hot mix asphalt items. Additionally, the entire project must be completed in a 10 week time period, with the schedule based on a 6 day work week. Within this expedited schedule, there are multiple work restrictions due to holidays and local special events, tightening an already restrictive schedule, increasing the cost for major items of work. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of the small quantities and maintaining traffic restrictions. This project received one bid of \$3,864,862.38. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Huron TSC request that this project be awarded to the low bidder based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director's Office
V. Warner	R. Cousin	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
S. Fedders	D. Potvin	H. Stinson	K. Curtis	K. Farlin
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	P. Sebenick
B. Schlager	C. Innis	S. Friend	R. Ranck	

BOD:DD:QA:RWC;jh



OFFICE MEMORANDUM

DATE: January 17, 2019

TO: Myron G. Frierson, Director
Bureau of Finance and Administration

FROM: Bradley C. Wieferich, Director
Bureau of Development

SUBJECT: Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: January 4, 2019

Project Description: 2.85 mi of micro-surface, chip seal, overband crack fill, micro cold milling, joint repairs and pavement markings on US-2 from Kent Street to east of the north junction of M-95 in the city of Iron Mountain, Dickinson County.

Project Number: 22021-201212

Item Number: 1901 047

Low Bidder: Pavement Maintenance Systems, LLC

Eng. Est: \$744,540.31 Low Bid: \$853,451.74 Difference: \$108,911.43 Percent: 14.63

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$ 744,540.31
Pavement Maintenance Systems, LLC	\$ 853,451.74
Strawser Construction Inc.	\$1,044,076.84
American Pavements, Inc.	\$1,087,343.66

EXPLANATION FOR DIFFERENCES

The low bidder had unit prices that varied from the normal range. The main items found to be higher than the engineer's estimate were joint repairs; micro-cold milling hot mix asphalt surface; shoulder aggregate; adjusting manholes; and traffic control. These items were bid higher than normal due to the small quantities and maintaining traffic restrictions. The quantities for the above items are relatively small, which led to an increase in cost to perform those items of work. Additionally, two-way traffic must always be maintained on US-2 and each of the 22 intersecting roads within the project. Work can only occur during daytime hours and include restrictions on the use of traffic regulator sequences and lane closures, increasing the cost for the traffic control. The estimator considered these factors when estimating this project but was unable to precisely predict the unit prices.

OVERALL CONCLUSION

As indicated in the above analysis, the low bid is over the engineer's estimate because of the small quantities and maintaining traffic restrictions. This project received three bids of \$853,451.74 and \$1,087,343.66, which varied by 27.41 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Crystal Falls TSC request that this project be awarded to the low bidder based on the above conclusion.

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director's Office
V. Warner	R. Cousin	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
S. Fedders	D. Potvin	H. Stinson	K. Curtis	K. Farlin
L. Bretz	C. Masseau	B. Rottiers	J. Gutting	P. Sebenick
D. Bradley	S. Cadeau	M. Maloney	A. Johnson	

BOD:DD:QA:RWC;jh

REQUEST FOR MICHIGAN STATE
TRANSPORTATION COMMISSION APPROVAL
LETTING EXCEPTIONS AGENDA

January 28, 2019

STATE PROJECTS

1. Letting of January 4, 2019
 Letting Call: 1901 002
 Project: M 63022-119805, ETC
 Local Agreement:
 Start Date: April 15, 2019
 Completion Date: June 1, 2020
- Low Bid: **\$11,837,630.55**
 Engineer Estimate: \$10,373,853.26
 Pct Over/Under Estimate: 14.11 %

10.14 mi of hot mix asphalt cold milling and resurfacing, concrete patching, detail 7 repairs, signage, pavement markings and rehabilitation of 2 structures consisting of deep overlay, barrier replacement, beam and deck replacement (one span) and substructure repairs on M-5 from 13 Mile Road south to 8 Mile Road in the cities of Novi, Farmington and Farmington Hills, Oakland County. This project includes a 5-year materials and workmanship pavement warranty and a 2-year performance warranty for the concrete surface coating.

3.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Cadillac Asphalt, L.L.C.	\$11,837,630.55	Same	1 **
Ajax Paving Industries, Inc.	\$12,083,888.88	Same	2

Total Number of Bidders: 2

2. Letting of January 4, 2019
 Letting Call: 1901 009
 Project: NH 73073-132121
 Local Agreement:
 Start Date: April 15, 2019
 Completion Date: July 12, 2019
- Low Bid: **\$1,432,442.50**
 Engineer Estimate: \$1,182,857.93
 Pct Over/Under Estimate: 21.10 %

1.83 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, drainage and pavement markings on M-58 from Lawndale Road to just east of Avalon Avenue, city of Saginaw, Saginaw County. This project includes a 3-year materials and workmanship pavement warranty.

3.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Pyramid Paving and Contracting Co.	\$1,432,442.50	Same	1 **
Ace-Saginaw Paving Company	\$1,550,896.26	Same	2

Total Number of Bidders: 2

3. Letting of January 4, 2019
 Letting Call: 1901 032
 Project: ST 52011-130229
 Local Agreement:
 Start Date: 10 days after award
 Completion Date: October 25, 2019

Low Bid: **\$877,242.10**
 Engineer Estimate: \$762,127.18
 Pct Over/Under Estimate: 15.10 %

Bridge rehabilitation including replacement of expansion joint, drain replacement, super and substructure repairs and pier overcasting on M-95 over Trout Creek Falls and Michigamme River, Marquette County.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Associated Constructors, LLC	\$ 877,242.10	Same	1 **
Zenith Tech, Inc.	\$1,223,244.20	Same	2
Hebert Construction Co.	\$1,497,793.39	Same	3
Grand River Construction, Inc.	\$1,499,789.33	Same	4
C. A. Hull Co., Inc.	\$1,689,404.20	Same	5

Total Number of Bidders: 5

4. Letting of January 4, 2019
 Letting Call: 1901 035
 Project: M 74073-201338, ETC
 Local Agreement:
 Start Date: April 15, 2019
 Completion Date: June 29, 2019

Low Bid: **\$3,864,862.38**
 Engineer Estimate: \$3,272,000.61
 Pct Over/Under Estimate: 18.12 %

15.69 mi of hot mix asphalt cold milling and resurfacing and Cherry Creek bridge waterproofing, joint repairs and overlay on M-25 from Lynn Boulevard north to French Line Road and from the north village limits of Port Sanilac north to Deckerville Road, Sanilac County. This project includes a 3-year materials and workmanship pavement warranty.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Ace-Saginaw Paving Company	\$3,864,862.38	Same	1 **

Total Number of Bidders: 1

5. Letting of January 4, 2019
Letting Call: 1901 047
Project: NH 22021-201212
Local Agreement:
Start Date: July 8, 2019
Completion Date: August 30, 2019

Low Bid: **\$853,451.74**
Engineer Estimate: \$744,540.31
Pct Over/Under Estimate: 14.63 %

2.85 mi of micro-surface, chip seal, overband crack fill, micro cold milling, joint repairs and pavement markings on US-2 from Kent Street to east of the north junction of M-95 in the city of Iron Mountain, Dickinson County. This project includes a 2-year pavement performance warranty.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
Pavement Maintenance Systems, LLC	\$ 853,451.74	Same	1 **
Strawser Construction Inc.	\$1,044,076.84	Same	2
American Pavements, Inc.	\$1,087,343.66	Same	3

Total Number of Bidders: 3

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of September 25, 2018.

Respectfully submitted,

Paul C. Ajegba
Director